

21 June 1963

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WEEKLY SUMMARY

OFFICE OF CURRENT INTELLIGENCE

CENTRAL INTELLIGENCE AGENCY

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DRIVE FOR EAST AFRICAN FEDERATION

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Kenya and already independent Tanganyika and Uganda hope to federate by the end of the year when Kenya gains its independence.

STALEMATE OVER RHODESIAN FEDERATION ENDS

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Southern Rhodesian Prime Minister Field has agreed to attend talks on dissolving the federation, but his party's right wing may desert him on the issue.

TSHOMBE FLEES THE CONGO

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Under threat of arrest, he probably will not go back soon

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EUROPE

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FINNISH SOCIAL DEMOCRATS ELECT NEW CHAIRMAN

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They hope to end the political isolation forced on them by the dominant Agrarians on the ground that the Social Democratic leadership does not support the official policy of friendship with Moscow.

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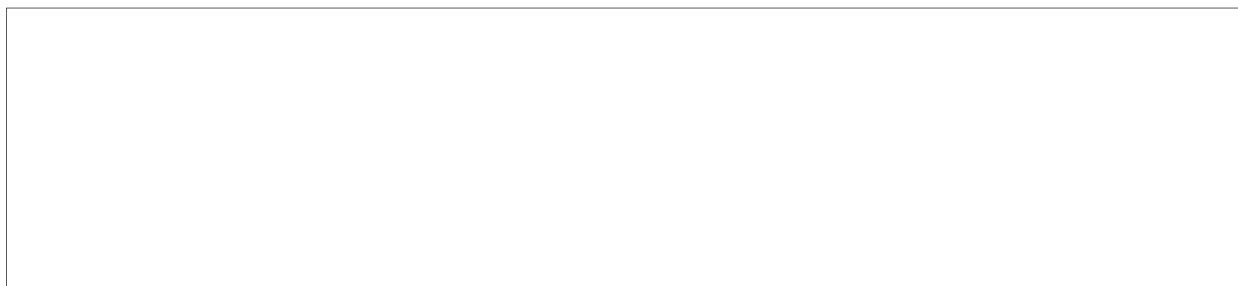
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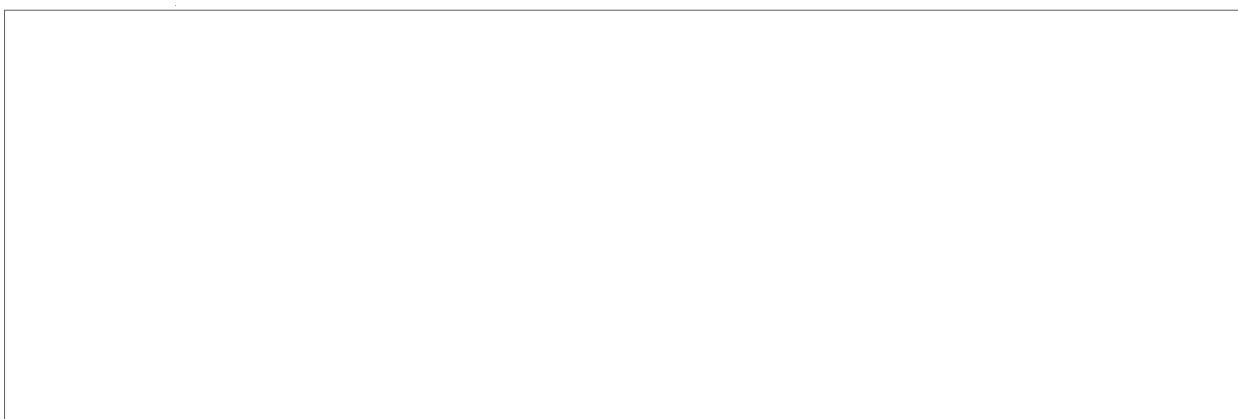
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The Communist World

SINO-SOVIET GULF WIDENS AS "UNITY" TALKS NEAR

Recent declarations and actions by both the Chinese and Soviet Communist parties reinforce the conclusion that there is virtually no prospect of resolving any of their substantive differences in their bilateral talks opening on 5 July. The Chinese in their belated reply to Moscow's 30 March letter, again forcefully demonstrated that they are not coming to the meeting in a spirit of compromise. The Soviets, more in deeds than in words, have indicated that there is no give in their position either.

New Attacks From Peiping

On 15 June, the Chinese delivered to the Soviets what will probably be the last in the exchange of letters between them before the "unity" meeting convenes in Moscow. The timing of the letter and some of its statements suggest that it was planned to coincide with the opening of the Soviet central committee plenum opening on 18 June. However, its content over-all--a long, intransigent position paper, insulting in tone and bristling with unconcealed attacks on the Soviet party--seems intended more for the international Communist movement than for Moscow. The letter not only was printed in People's Daily on 17 June, but was immediately broadcast around the world and has been published, along with the other letters in the series, in a pamphlet which will undoubtedly be widely distributed wherever Peiping feels it can exert an influence.

This last letter was an attempt by the Chinese to define

more sharply the differences between themselves and the "modern revisionists" over 25 points of "principle" which they feel should be discussed at the Moscow meeting. The issues range widely, from the mistaken view of general policy the Chinese profess to see in Soviet words and actions; through the USSR's incorrect tactics in foreign policy, its mishandling of problems in the international Communist movement, and its exercise of "great-nation chauvinism" in respect to other Communist regimes; to the degeneration of Marxism-Leninism in Soviet domestic doctrine and society.

Peiping's decision to set forth in so stark a fashion its rigid, fundamentalist views in opposition to the somewhat more liberal, pragmatic Soviet approach reflects its arrogant confidence, perhaps over-confidence, that in the contest the tide of opinion within the movement is flowing in the direction of China. The Chinese methodology resembles Lenin's constant insistence on clearly marking the boundaries between himself and the Mensheviks in their earlier disruptive no-holds-barred ideological battle.

This approach entails some danger for the Chinese. Earlier in the dispute, they generated a great deal of sympathy for their views when they concentrated on fewer issues and presented them in a more generalized fashion. Now that the range has been extended to Soviet practices and views, the possibility of equivocation on the part of other

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Communist parties has been narrowed.

Moscow's Restrained Reply

The Soviet party apparently continues to believe that it can best prevent the Chinese from adding to their past successes in the international Communist movement by maintaining its righteous pose as the champion of courtesy and "unity." On 18 June, the Soviets published a statement noting receipt of the letter, regretting its tone and distortions, and expressing the hope that the Chinese, like the Soviet Union, would "concentrate their efforts on what unites" the two parties rather than on what separates them. The statement also explained that the USSR at this time would not publish the letter--which, like earlier Chinese communications, taunted the Soviets for their failure to publish Peiping's views as the Chinese publish attacks on themselves--since it would only lead to a renewal of bitter polemical exchanges, which have aided in Chinese efforts to undermine Soviet leadership.

In fact, for the most part, the USSR has lived up to its self-proclaimed ban on polemical attacks. While firmly maintaining its well-known positions, so contrary to what the Chinese preach, and continuing its efforts, as in its extravagant wooing of Castro last month, to

solidify support from others, it has not returned to the peak pitch reached just before the East German party congress in January. Its actions, however, or in some cases its refusal to act, have proved that it remains as intransigent as the Chinese and consequently have infuriated Peiping.

Soviet Foreign Policy Moves

The Soviet-Yugoslav rapprochement, one of the key exhibits in the Chinese case for Soviet revisionism, has continued to prosper, with Moscow even praising Yugoslavia's new and controversial "socialist" constitution. A recent report from a diplomat in Belgrade states that a Yugoslav delegation will be in Moscow around 1 July to negotiate a role for Yugoslavia as observer in the bloc economic organization CEMA.

Soviet actions with respect to India also continue to contain a heavy anti-Chinese flavor, particularly Moscow's un-Marxist "neutrality" in the Sino-Indian border question and its continuing deliveries of aircraft which the Indians use in support of their forces on the border.

In agreeing to meetings with US high-level negotiators in Moscow on 15 July for further discussion of a nuclear test ban, the USSR has shown in another field that it will pursue its own policies with little regard

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for Chinese feelings or views. Although prospects are slim for any better results in these than in earlier talks, Peiping views with deep disapproval any Soviet negotiations with the West on this and related subjects.

These delegations to discuss agreements with the USSR, which the Chinese view as inimical to their own interests, will be in Moscow at approximately the same time as the two Communist regimes face each other across their negotiating table. Such a juxtaposition does not appear at all accidental and certainly will not appear so to the Chinese.

Some of the Soviet actions have been met by the Chinese with an eloquent silence. Although the final Soviet-Cuban communique was printed by People's Daily, there was no comment by Peiping on Castro's month-long trip in the Soviet Union. Prior to that trip, Castro's activities had been widely publicized by the Chinese. The forthcoming East-West negotiations in Moscow were dismissed by China with a two-line announcement.

Peiping's Unrestrained Restrictions

The Chinese are coldly vituperative about other matters, however. They have issued a constant stream of protests alleging Indian violations of Chinese territory, apparently building up a case of innocent injured party, and they have again accused a "certain socialist country" of failing

to support a socialist ally when attacked by a bourgeois country. On 16 June, they editorialized on the failure of the Geneva Conference co-chairmen (the USSR and the UK) to condemn alleged Western and US violations of the agreements on Laos. The editorial was obviously intended to demonstrate for other Communist parties the sharp contrast between the proper Chinese support for militancy in a revolutionary situation and the improper Soviet caution.

It is on the question of Yugoslavia that the Chinese have vented their full anger. After republishing an earlier Tito speech which had set forth Yugoslavia's views of Chinese errors, People's Daily on 15 June savagely attacked Yugoslav revisionism, carefully tarring the Soviet Union with the same brush by implication. The Chinese proclaimed that Tito's views were but "spittle collected from the cuspidors of the imperialists and other revisionists"--an obvious reference to Khrushchev.

Both sides nevertheless continue to pay lip service to the need for "unity" and proclaim loudly that they each are working to that end. Both are apparently still ready to meet on 5 July as if that meeting could be meaningful in terms of unity. The Chinese were the more honest, however, in their editorial on Tito when they boldly said that their dispute with the revisionists was "irreconcilable."

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SOVIET PARTY PLENUM DISCUSSES IDEOLOGICAL PROBLEMS

Moscow has admitted that contemporary Soviet society is plagued with a wide variety of ideological ills. The opening speech at the Central Committee plenum on ideology--delivered by Party Secretary Leonid Ilichev on 18 June--clearly indicated a widespread lack of faith in Communist theory and practice.

Speaking in an essentially negative and defensive vein, Ilichev blamed the whole gamut of doctrinal problems on the influence of bourgeois morals and on "remnants of the past in the minds of the people." He declared that the West has gone over to a policy of "ideological subversion" and psychological warfare, and his unusually harsh characterizations of Western morality appear to reflect concern over the extent to which the Soviet populace, particularly the youth, has been infected by alien ideas. He lashed out, for example, at young people who "occasionally howl about an attack on freedom of the individual and on democracy." He asserted that it is impossible to build a Communist society without eradicating vestiges of bourgeois morality.

The failure of many to become personally involved in the drive to communism also came under fire, as Ilichev catalogued a multitude of activities and attitudes which are unacceptable to the regime. In addition to such common whipping boys as thieves, hooligans, swindlers, parasites, and drunks, he included officials who continue to behave like little Stalins,

those who promise much but deliver little, glory-seekers, and private property interests. He also admitted that religion is on the rise in the Soviet Union.

Despite the virulence of his attacks, Ilichev advanced no specific proposals for solving the problems he raised. A considerable portion of the speech was devoted to generalizations on the need for better political education of youth and for intensified efforts to create a "new Communist man" devoid of any vestige of bourgeois thought. Veiled threats against those who "consume well but work poorly" could, however, result in some future cutbacks in their economic or financial status.

Since the plenum is almost exclusively concerned with the domestic ideological situation, Ilichev gave scant attention to the Sino-Soviet dispute. He asserted that Soviet Marxism is the only correct model and reaffirmed the doctrinal validity of Khrushchev's peaceful coexistence policy.

Ilichev's address may have been intended to set the stage for the real business of the plenum. After several days of "debate" on his report--during which lesser party luminaries deliver the requisite promises of better ideological work--Khrushchev will probably deliver a concluding speech. If the Kremlin has devised any new plans for liquidating the ills which Ilichev described, they will almost certainly be revealed at that time.

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MIROSLAV HYSKO

Slovak journalist whose public attack on the regime brought strong reaction from party leader Novotny. Hysko was unanimously elected to the presidium of the Slovak Journalists Union after his speech.



LACO NOVOMESKY

Supposedly rehabilitated along with former Slovak leader Gustav Husak, both were attacked by Novotny for their continued roles as leaders of Slovak nationalist demands. The Slovaks are not likely to calmly accept Novotny's renewed attacks on these men and what they represent.



JOSEF LENART

Chairman of the Slovak National Council since October 1962

Chief spokesmen for Slovakia in Prague, they flanked Novotny during his speech in Kosice. Brought to their important posts by Novotny, they may ignore their particularly Slovak commitments and support the present regime. Neither man, however, has taken a public stand for or against Prague's new line.



ALEXANDER DUBCEK

Slovak party first secretary since April 1963

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CZECHOSLOVAKIA'S NOVOTNY MOVES TO REASSERT CONTROL

Czechoslovak party leader Novotny has responded vigorously to mounting pressures for more liberalization--pressures which threaten to topple him. The Slovaks, who have the additional aim of advancing their nationalist aspirations, are playing a leading role in applying those pressures.

In a major policy change--revealed in a speech on 12 June at Kosice, symbolic home of modern Slovak nationalism--Novotny reversed the regime's attitude toward certain victims of past Stalinist purges. He said that former Slovak leaders, Husak, Novomesky, and others "in the eyes of the central committee remain guilty of violation of the principles of party unity" despite their judicial rehabilitation. The Czechoslovak central committee had announced to the party in April that these men would be fully rehabilitated, and the Slovak party press, along with the Czechoslovak and Slovak writers' and journalists' unions, had enthusiastically welcomed them back to public life.

Novotny also offered some defense of his close colleague Premier Siroky, who was severely criticized for Stalinism by Slovak journalist Miroslav Hysko at the late May Slovak journalists' congress. Novotny implied that Siroky was in "principle correct" in the very policies Hysko--and the Slovaks--attacked. This somewhat weak defense was coupled with a sharp warning to specific Slovak editors and writers that they were following a "dangerous road." Besides indicating Novotny's concern over growing Slovak dissidence, such statements also probably reflect his sensitivity to

public acknowledgment of his ties with Siroky and the purges.

Novotny also rebuked the Slovak party daily for publishing "hysterical attacks against the party." This suggests that Hysko's remarks about Siroky and the Prague leadership were printed without Prague's knowledge or possibly against its wishes. In any case their publication attests to the strength, in Slovakia at least, of supporters of a liberal policy.

Prague apparently hopes to calm popular discontent and pressures by a series of television interviews, to begin next week, with top party and government personalities on economic and ideological questions. There is no assurance, however, that his tactics of repression and explanation will stop Slovak dissidence or the pressures to liberalize. The Slovak party, through its press and various mass organizations, has committed itself to the full rehabilitation of Novomesky and Husak--who have become symbols of Slovak aspirations. Although those Czechs pressing for liberalization are probably less concerned about the fate of these men as individuals, Novotny's rehabilitation program had represented for the Czechs an important first step in the direction of de-Stalinization.

Novotny's opponents probably believe that he is unable or unwilling to revert to the Stalinist measures of repression he knows best. They will therefore probably continue their demands and exert still greater pressures for a more liberal leader who can control the party.

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EAST GERMANS SEEK MORE INTERNATIONAL AIR TRAFFIC

Inauguration by the East Germans of a new crossing point on the Berlin sector/zonal border on 15 June presages new moves to advance Schoenefeld Airport in the Soviet zone as the "international" air terminal for the Berlin area. They want to restrict use of this Waltersdorfer Chaussee crossing point, which permits ready access from West Berlin to Schoenefeld, to travelers with an East German visa valid for Schoenefeld or an air ticket valid for the day of their crossing. The East German airline, Interflug, which recently inaugurated a direct flight to Vienna, now will probably seek to expand its services to the West and later to induce Western airlines to fly directly to Schoenefeld rather than to the relatively cramped downtown West Berlin airports.

Schoenefeld is well equipped and could handle, without further modification, a substantial increase in traffic. An elaborate expansion program designed to make it one of the finest airports in Europe has been under way since 1959. A new terminal and other passenger and air control facilities went into operation in the fall of 1962.

The East Germans already control all non-Allied freight and passenger traffic to West Berlin via rail and highway, and have long wanted to control air traffic as well. The Ulbricht regime has prepared much of the legal framework necessary for claiming full authority over Western commercial carriers. Such additional East German control would considerably weaken West Berlin's independence and viability, and further the Communist goal of isolating the city.

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Asia-Africa

COMMUNISTS INCREASE PRESSURES IN SOUTHERN LAOS

The Communists are stepping up their military efforts against key areas in Laos as the political stalemate continues.

Communist military activity in the past week has been directed primarily at neutralist positions in south-central Laos. Neutralist evacuation of Mahaxay, Nhommarath, and Lak Sao give the Communists virtual control over the major routes through Laos between North and South Vietnam and greatly increases the vulnerability of Thakhek on the Mekong, still held by General Phoumi's Lao Army forces. Phoumi had become increasingly concerned by the weakening neutralist position.

In southernmost Laos, the Lao Army has reinforced its besieged forces in the Attapeu area with two battalions.

The situation in the Plaine des Jarres remains quiet, with the Communists continuing their small-scale efforts to push Kong Le's forces out of their positions on the northern and southern edges of the plain. Muong Hiem, a neutralist outpost north of the plain, has recently come under attack.

Relations between Souvanna and General Khamouane, the opportunistic "neutralist" commander in Phong Saly Province, remain tenuous. Khamouane has rejected Souvanna's demands that he report personally to Vientiane. Subsequently, however, Souvanna agreed to resume supply flights to Khamouane, and further deterioration in relations may thus be halted.

Meanwhile, no significant political progress has been achieved. Premier Souvanna will probably reject Pathet Lao chief Souphannouvong's "agreement" on 19 June to hold preparatory talks at Communist-held Phong Savan on the Plaine des Jarres.

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Asia-Africa

INDONESIAN FOREIGN POLICY SHIFTS

A series of Indonesian foreign policy developments within the past month involves a tactical shift away from the left. The relatively slight change apparently derives from President Sukarno's desire to get economic aid from the West and from an assessment of recent policy failures.

The developments have included the decision on 27 May to adopt in great part an economic stabilization plan recommended by the International Monetary Fund, the conclusion of an agreement on 1 June with three large Western oil companies permitting them to continue operations on a contract basis, a request in late May to Japan that it intercede with the Olympic Committee to permit Indonesia's readmission to the Olympic Games, and the abrupt reduction in early June of overt opposition to the proposed Malaysian Federation.

Sukarno had decided some time ago to accept large-scale Western aid if it could be arranged, and may have delayed decisions on the stabilization plan and oil companies in order to preserve doubt as to his intentions. Indonesia's un-sportsmanlike handling of the Asian Games in Djakarta last November which resulted in its expulsion from the Olympics had helped tarnish Indonesia's international image, especially in Asia and Africa.

The changed policy toward Malaysia reflected concern over the ineffectiveness of Indonesia's

efforts to frustrate the Malaysian concept by 31 August --when the federation is to come into being--and concern over the poor reception many nonaligned governments accorded the anti-Malaysian campaign. The new course emphasizes a peaceful solution of area problems and is calculated to counter the impression of an expansionist Indonesia hypocritically supporting the ambitions of neighboring areas for self-determination. Sukarno may also have reasoned that an aggressive anti-Malaysia policy could endanger his Western aid prospects.

There are indications that Sukarno regards the Sino-Soviet dispute as offering him another power factor to juggle in his over-all policy of noncommitment and acceptance of aid from all sides in the cold war. Djakarta's relations with the bloc chiefly involve efforts to reschedule payments on the \$650 million Indonesian debt to the USSR. Since the settlement last August of Indonesia's claim to West New Guinea--a struggle which the USSR strongly supported--Djakarta has pursued bloc relations with less intensity and reportedly has tried to extricate itself from some of its purchase commitments.

Sukarno will use the new policies to test reactions of the Indonesian Communist Party. Now dominated by its militant, pro-Peiping faction, the party is still generally committed to support the President but has criticized the recent policy trend.

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Asia-Africa

DRIVE FOR EAST AFRICAN FEDERATION

The leaders of Kenya and of independent Tanganyika and Uganda are driving hard to federate their countries by year's end--concurrent with Kenya's achievement of independence.

In the three weeks since Kenya became self-governing, President Nyerere of Tanganyika has moved rapidly to bring about his long-held dream of East African federation. His talks early this month with Kenya's Kenyatta and Uganda's Obote produced agreement in principle to federate and set up a committee of ministers which hopes--with the help of UN advisers--to write a constitution before September.

This will involve settling the sensitive issue of where the Federal capital will be located, deciding whether the federal chief of state will have executive powers or be largely a figurehead like India's president, and dividing powers between the central government and the member states. The outlook at present is for a strong federal government with a central parliament, its own revenue powers, and responsibility for foreign policy.

The three countries already have considerable experience in regional cooperation--their common currency, customs, communications, and transport now are managed through a joint organization--but opposition to

federation can be expected from such traditionally conservative elements as Uganda's tribal kings and Kenya's minorities. Despite the difficulties, Kenya's governor believes it not unlikely that final agreement can be reached by the end of 1963. A Kenyan ministerial delegation now in London is using impending federation as a lever to press Britain for full independence by that date and the right to amend Kenya's constitution to conform with that of the federation.

As now projected, the federation would be Africa's fourth largest and third most populous country, but Nyerere regards it as only a nucleus. Zanzibar will be offered membership after it attains self-government on 24 June, and Nyerere believes membership might quickly be extended to Rwanda and Burundi and later to Northern Rhodesia and Nyasaland. He looks on such a larger federation as possibly the only means of avoiding a violent solution of the complex constitutional and racial problems of the expiring Federation of Rhodesia and Nyasaland. Kenyatta hopes that Somalia might join and thus subsume the dispute over Kenya's Somali-inhabited northeastern region, but Mogadiscio will insist on a favorable settlement of the dispute first.

(See map on reverse of page.)

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Asia-Africa

STALEMATE OVER RHODESIAN FEDERATION ENDS

Southern Rhodesian Prime Minister Field's announcement that he will attend talks on the dissolution of the Federation of Rhodesia and Nyasaland paves the way for a peaceful breakup of the ten-year-old grouping. Field had threatened to boycott the talks unless Britain agreed to grant independence to his white-controlled territory as soon as African-dominated Northern Rhodesia and Nyasaland received it. A trip to London, however, apparently convinced him that Southern Rhodesia would lose more than it would gain from delaying the Federation's breakup and that his colony could not survive if it declared itself independent unilaterally.

The conference is to open in the Federation on 28 June.

To save face for Field--and for Federation Prime Minister Welensky, who backed Field's intransigent stand--it is likely to be short and largely perfunctory. Although Field reportedly secured London's agreement that Southern Rhodesia's internal affairs will not be discussed, he may have trouble retaining the support of his party's right wing for his participation in the talks. If the party splits on this issue, Field would probably be forced to depend on the racial moderates of former Prime Minister Whitehead--a situation which might eventually lead to an amelioration of the government's white-supremacist policies.

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TSHOMBÉ FLEES THE CONGO

Tshombé's hasty departure from Katanga for Europe on 14 June capped the progressive decline in his influence since January and may mark the end of his role in the Congo for some time.

Short of a change of government in Leopoldville or, even more unlikely, a guarantee against prosecution, he probably will not soon return.

French officials have thus far denied Tshombé official entry because he lacks a Congolese passport

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Europe

FINNISH SOCIAL DEMOCRATS ELECT NEW CHAIRMAN

The election of a political moderate as chairman of Finland's Social Democratic Party improves prospects for its reconciliation with President Kekkonen's dominant Agrarian Party. By retiring aged anti-Soviet Vaino Tanner and dropping an influential executive committee leader also regarded as openly hostile to Moscow, the Social Democrats are making a strong bid to end the political isolation into which the Agrarians have forced them.

The new chairman elected at the 15-16 June congress is Rafael Paasio, who accepted the post apparently on condition that Vaino Leskinen, the committeeman identified with the intransigent Tanner element, step down. Leskinen refused to withdraw voluntarily, but was not re-elected.

Before the congress met, there were indications that some party members suspected Paasio of "vacillation" and of being too responsive to pressures from the Agrarians and Soviet officials in demanding Leskinen's retirement. They proposed to elect present Vice Chairman Olavi Lindblom instead. Lindblom's name was never presented in formal nomination for the top post, however, probably because a compromise leading to emergence

from political isolation was the overriding consideration by all groups in the party.

The party leadership has been under constant attack by the Agrarians, who claim that the Social Democrats do not support the official foreign policy of neutrality and friendship with the USSR. The Agrarians, with the approval of Moscow, have stipulated that Social Democratic participation in Finnish government could come only after resignation of three leaders--Leskinen, Lindblom, and Party Secretary Kaarlo Pitsinki. Lindblom and Pitsinki, however, have retained their posts.

Nevertheless, as the changes which have been made are essentially a gesture of compromise, the Social Democrats probably now expect the Agrarians to consider renewed cooperation between the two parties. It is still uncertain however, whether the Agrarians will interpret the shift in leadership as sufficient proof of good will, or whether they will press their advantage and insist on further revisions in the top Socialist echelon.

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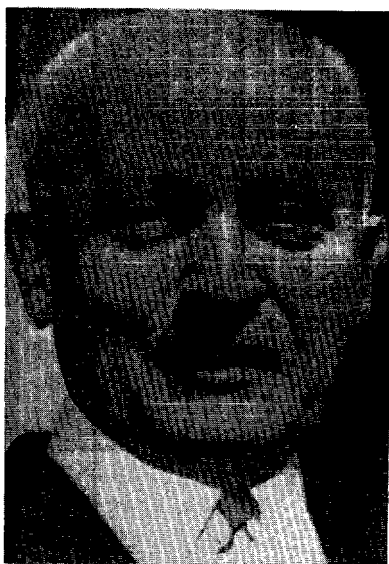
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Europe

GREEK POLITICAL CRISIS SUBSIDES

As a result of a compromise on 17 June between Greece's King Paul and outgoing Premier Karamanlis, former Minister of Commerce Pipinelis has been able to form a new government. Karamanlis, who probably felt the crisis had to end if his National Radical Union (ERE) was to be preserved, waived his objection to a government headed by a politician and thereby terminated the impasse.

Although ERE member Pipinelis will be both premier and foreign minister, this is a caretaker government, composed largely of nonpartisan personalities. It is to prepare for elections which probably will be held, after several months, under the modified proportional electoral system used in 1961. It will also endorse the royal visit to Britain scheduled for 9 July--which Karamanlis opposed and which prompted his resignation. Opposition Center Union leader Papandreou has indicated he will not oppose a government of this nature.



PIPINELIS

Karamanlis will leave the country while the royal visit takes place, probably as a further gesture of disassociation from responsibility for any Communist-inspired demonstrations involving the royal family. His stand on this issue has greatly enhanced his popularity, but a natural erosion of this sentiment can be expected if the interim period before the elections is at all lengthy. However, he is unlikely to see a political threat in Pipinelis, who has no personal political following.

While the ERE has emerged intact from the crisis, pressure of centrifugal forces within the party undoubtedly played a part in Karamanlis' compromise with the King. These strains may be felt for some time. Of the triumvirate Karamanlis has designated to run the party in his absence, one actively intrigued against him in the crisis, one played an equivocal role, and one, while loyal in this case, helped bring down Karamanlis' government in 1958. Karamanlis may hope through this maneuver to heal wounds inflicted by the crisis, but he has promised to remain abroad until elections are announced and a prolonged absence from the country could weaken his personal authority.

The Palace would probably welcome such a development. Although disclaiming any desire to split the ERE, it would probably prefer another, more amenable, leader of the party. The royal family will almost certainly make use of its close personal relationship with Pipinelis to attempt to inject itself more directly into day-to-day government action.

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Western Hemisphere

CONTINUING TURMOIL IN ARGENTINE POLITICS

As Argentina's 7 July election date nears, its chaotic political situation is further disturbed by adverse reaction to the endorsement by ex-dictator Peron and ex-President Frondizi of an unpopular but pliable presidential candidate for the Peronist-backed National and Popular Front (FNP).

The election of Vicente Solano Lima, president of the small Popular Conservative Party, is deepening the splits among the Peronists. Some now are calling for abstention at the polls, while others--including former party president Matera, who resigned on 23 May--are seeking new political coalitions at this late date. The majority are wincing at a conservative candidate, but many are reported maintaining loyalty to the organization, taking some hope from the fact that presidential electors are not legally bound to vote for their party's candidate in the electoral college on 31 July.

The dissidents charge that the Peronist organization has sold out to Rogelio Frigerio, Frondizi's adviser

Frigerio, who is regarded as a symbol of corruption and power behind the Frondizi administration, is widely disliked within Frondizi's UCRI party, now irrevocably split over the FNP nomination. Oscar Alende has resigned as UCRI president--but not as the UCRI's presi-

dential candidate--and is exploring new coalitions.

The adverse reaction to Solano Lima reportedly has reduced fears among civilian and military leaders that he might win a majority in the electoral college, but some officers insist that he be banned because of the manner of his selection and his statements favorable to the Peron dictatorship. Consequently the government issued a decree on 19 June forbidding the candidacy of presidential electors from FNP member parties.

The decree will produce loud protests but, in trying to reconcile sharp differences of opinion, reflects the government's determination to hold elections on schedule. While the Peronists will not be able to vote for Peron's choice, they will be able to vote for one of several candidates who were considered earlier as more likely and more popular FNP presidential candidates. Retired General Leon Bengoa, for example, reportedly will head the slate of three neo-Peronist parties.

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THE NEW BRAZILIAN CABINET

The cabinet reshuffle in Brazil will do nothing to halt the country's leftward drift. Once again, President Goulart has performed a balancing act designed to satisfy all the political elements pressing in on him. The new combination of leftists, moderates, and nonentities will momentarily solve some of his immediate personal political difficulties, but on balance will leave the government susceptible to continuing pressure from the left.

Four of the new ministers, including Foreign Minister Evandro Lins e Silva, appear inclined to a leftward course, and most of the others--including even the three service ministers--are unlikely to oppose it effectively. The most extreme member is probably Lins e Silva, who has a history of pro-Communist activity and was quoted last March as saying that neutralism is only the first step to the left for Brazil and that ultimately "we must take part in the construction of a socialist world." Education Minister Paulo de Tarso is the leader of the Communist-leaning wing of the Christian Democrats.

Labor Minister Oliveira e Silva and Industry Minister Joaquim Ramos will probably be the cabinet's staunchest proponents of moderation. Oliveira e Silva is a centrist, politically linked with the moderate and effective Christian Democratic governor of Parana State.

He replaces extreme leftist Almino Afonso, who has worked to strengthen Communist influence in organized labor. More recently, however, Afonso had demonstrated increasing independent strength which apparently alarmed Goulart. Afonso's dismissal almost certainly results from the President's determination to brook no interference in the labor field, where his own political power has always been based.

The most conservative of the new cabinet ministers appears to be Finance Minister Carvalho Pinto, ex-governor of Sao Paulo. He is popular with the Sao Paulo business community. He may attempt to follow outgoing Foreign Minister Dantas' policy of accommodation with the United States and the International Monetary Fund, but does not appear Dantas' equal in ability to secure support from Brazilian political leaders for such a policy. The embassy reports rumors that Carvalho may in fact favor a new policy of declaring a moratorium on Brazil's debts rather than continuing to seek foreign financial aid.

Each successive Goulart cabinet, despite the wide range of political opinion represented, has been as conducive to Brazil's leftward slippage as the previous one. This cabinet is no exception.

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SPLIT IN ECUADOR'S COMMUNIST PARTY

A split in the Communist Party of Ecuador (PCE), which became evident late last year, has steadily widened to the point where it may be irreparable. At the heart of the dispute is the old question of whether Communists should seek power by violent revolution or by parliamentary methods. The "revolutionary" party members--predominantly the younger elements--have long felt that the "bureaucratic" members lack daring and initiative, while the "bureaucrats" believe the younger group to be headstrong, undisciplined, and foolhardy.

The crisis began last month when a member of the PCE central committee, Jose Maria Roura Cevallos, was arrested while bringing money into Ecuador, allegedly provided by Chinese Communists to finance pro-Peiping propaganda and guerrilla operations. On 29 May he was expelled from the party for having gone to China without the party's permission. The expulsion was engineered by Party Secretary General Pedro Saad, who has consistently opposed guerrilla activity. On the same day, Saad announced the removal of activist leader Rafael Echeverria Flores from the chairmanship of the Pichincha Province Committee, headquartered in Quito.

Saad traveled from PCE headquarters in Guayaquil to

Quito on 3 June to take charge of the Pichincha Provincial Committee but found the faction there almost solidly behind Echeverria and in favor of repudiating Saad and the PCE Executive Committee.

The expulsion of Roura Cevallos from the PCE probably will be followed by similar actions against Echeverria and others. The expelled leaders and their followers may then form a rival organization; a majority of Echeverria's Quito followers favor such a move at once. The defectors may also attempt some form of cooperation with Manuel Araujo Hidalgo, a free-wheeling, self-styled guerrilla leader who claims to have Chinese Communist support.

Ecuadorean authorities have arrested ten leftist revolutionaries since 1 May, a severe blow to the formerly unhampered left. The publicity surrounding these cases has created considerable pressure on the government to take stronger action against the leftists. Although Congress does not convene until 10 August, responsible political leaders are already planning an intensive investigation of leftist infiltration into the Foreign Ministry and the ministries of Development, Education, and Government.

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